



**FIXED PRICE COMMERCIAL ITEMS OR SERVICES
INDEFINITE DELIVERY SUBCONTRACT**

**SPECIMEN SUBCONTRACT
Subcontract No. TBD**

BETWEEN

CALIFORNIA INSTITUTE OF TECHNOLOGY
JET PROPULSION LABORATORY
4800 OAK GROVE DRIVE
PASADENA, CALIFORNIA 91109-8099
(hereinafter known as "JPL;"
a corporation existing under the laws of the State of California)

AND

TBD
(hereinafter known as the "Subcontractor;"
a corporation existing under the laws of the State of TBD)

THIS SUBCONTRACT IS FOR
Acquisition of Office Supplies through JPL's Oracle iProcurement Acquisition System

AND IS A
SUBCONTRACT UNDER JPL's NASA PRIME CONTRACT NNN12AA01C

A DO-C9 Rating is assigned to this Subcontract under DMS Regulation 1

SPECIMEN SUBCONTRACT, dated March 15, 2017

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SUBCONTRACT PROVISIONS AND FORMS SETS

The following document sets are incorporated into and made a material part of this Subcontract, and can be found at JPL Acquisition’s external website: <https://acquisition.jpl.nasa.gov/terms-conditions/>, under “Terms and Conditions.”

GENERAL PROVISIONS (GPs) SET FOR COMMERICAL ITEMS OR SERVICES (CIS)
SUBCONTRACT, dated 4/14.

ADDITIONAL GENERAL PROVISIONS (AGPs) SET, dated 9/15. *Note: Only the AGPs listed below are incorporated into this Subcontract:*

- Ceiling Price: Limitation of JPL’s Obligation
- Estimate of Percentage of Recovered Material Content for EPA-Designated Items
- Personal Identity Verification of Contractor Personnel
- Security Requirements for Unclassified Information Technology Resources
- Safety and Health

SUBCONTRACT FORMS SET, dated 6/14.

PREAMBLE

This Subcontract, entered into on _____ by and between the CALIFORNIA INSTITUTE OF TECHNOLOGY (hereinafter called the 'Institute' or 'JPL'), a corporation organized and existing under the laws of the State of California, and _____ (hereinafter called the 'Subcontractor'), a corporation organized and existing under the laws of the State of TBD and constituting a subcontract under Prime Contract NNN12AA01C between the Institute and the Government;

WITNESSETH THAT:

The Subcontractor agrees to furnish and deliver the supplies and perform the services set forth in this Subcontract for the consideration stated herein.

ARTICLE 1. STATEMENT OF WORK AND DELIVERY INSTRUCTIONS

1.0 GENERAL REQUIREMENTS

The Subcontractor shall provide the necessary staff, equipment, supplies, and services to provide and deliver office supplies and products as ordered by authorized JPL representatives in support of JPL's iProcurement acquisition system. All products shall be delivered to JPL, as requested by authorized JPL representatives from the original date of this Subcontract go-live date anticipated to be September 23, 2017 through the Subcontract End Date of September 22, 2019, with a thirty-six (36) month option period, in increments to be determined by JPL. All products listed in the online website catalog shall be managed to ensure delivery within two (2) business days. In addition to the above, the following activities shall be performed:

- 1.1 JPL will communicate its purchase requirements by transmitting Purchase Orders (POs) via Electronic Data Interchange (EDI) technology to a Value Added Network (VAN) or via cXML. The POs shall be transmitted by EDI or cXML in accordance with Exhibit III: Electronic Communications Trading Partner Agreement. The Subcontractor shall receive the PO via a VAN of their choice or via cXML. In the event that the Subcontractor electronic system is temporarily unavailable, the Subcontractor shall notify JPL within thirty (30) minutes of the system's unavailability.
- 1.2 Exhibit II, Punchout Operational Document, Exhibit III, Electronic Communications Trading Partner Agreement, Exhibit IV, JPL Bar Code Specifications, and Exhibit V, JPL Product Packaging and Delivery Instructions, shall be operational no later than thirty (30) calendar days after the Subcontract execution.
- 1.3 Subcontractor performance shall be evaluated in accordance with the requirements outlined in paragraph 7.0, below, with the performance level calculation beginning on the first day of Subcontract operation utilizing EDI or cXML.
- 1.4 The Subcontractor shall receive and process POs up to and including the last day of this Subcontract.
- 1.5 The Subcontractor shall create and maintain a Disaster Recovery and Data Backup Plan to ensure communication of an interruption of service. The Plan shall be to provide for the operational recovery of systems and applications following an extended system outage.

2.0 ELECTRONIC COMMUNICATION REQUIREMENTS

- 2.1 The Subcontractor shall have an Internet connected Electronic Mail system for transmission of all electronic business correspondence, except POs.
- 2.2 The Subcontractor shall receive and process electronic POs. The hardware shown in Exhibit IV, JPL Barcode Specifications has been determined to be compatible with JPL's hardware and software and is recommended for use under this Subcontract.

- 2.3 If the Subcontractor chooses to use equipment other than that specified, the Subcontractor shall be required to demonstrate compatibility of the alternate equipment with JPL's system.

3.0 VENDOR SYSTEM CERTIFICATION

- 3.1 The Subcontractor shall provide a website to punchout to and support JPL's iProcurement development and testing of all interfaces with the Subcontractor's system within thirty (30) business days from the date of this Subcontract execution.
- 3.2 Certification of the system (end-to-end) will be accomplished in accordance with Exhibit VI, Subcontractor System Certification and Testing, before the system go-live date of September 23, 2017. If the system cannot be demonstrated as compatible and capable, JPL will recommend and approve the equipment to be acquired and utilized by the Subcontractor, at Subcontractor's expense, in the performance of this Subcontract. Exhibit VII, EDI Layout Mapping, explains how the EDI communication is sent. Exhibit VIII provides a sample of cXML.

4.0 PERSONNEL REQUIREMENTS

The Subcontractor shall provide qualified personnel to perform the following technical and administrative roles described below:

- 4.1 Subcontract Coordinator and Alternate shall be designated within five (5) business days of subcontract issuance to provide the primary interface to the JPL Subcontract Manager (SCM) for all contractual issues, and to provide administrative support service, reports and documentation as required. Included shall be the following tasks:
 - 4.1.1 To be the primary interface to the SCM for all contractual issues and provide administrative support services, reports and documentation as required;
 - 4.1.2 Ensure that the JPL PunchOut Website Catalog is up-to-date and operational at all times;
 - 4.1.3 Notify the SCM in writing of any changes in the primary personnel, including the Product Support Representative and Alternate, Technical Coordinator and Alternate, and any other key individual assigned to the account.
 - 4.1.4 Provide the JPL PunchOut Website and the Catalog's maintenance information to the SCM. Manage the account, inform the SCM of new product releases, and be an advocate for best pricing for JPL. Communicate all recommendations for catalog additions, changes, deletions, and revisions to the Catalog and communicate price changes in accordance with *Article 2. Price and Payment*. Recommend streamlined processes and advise on customer concerns.

- 4.2 Product Support Representative and Alternate shall be designated within five business days of Subcontract award and be responsible for providing JPL personnel with product recommendations and answers to product questions for all electrical, electronic, and electromechanical components. Product Support Representative or Alternate shall respond to the JPL customer inquiries within four business hours of email or voicemail message with a response or acknowledgement of the message. Product Support Representative or Alternate shall have knowledge of this Subcontract, product information, and basic customer service training. Hours of operation from 6:30 AM – 5:30 PM PT. Product Support Representative and Alternate shall be available through Live Chat on the JPL Punchout Website upon JPL request.
- 4.3 Technical Coordinator and Alternate shall be designated within five business days of Subcontract award and be responsible for providing detailed technical information and support regarding the Subcontractor's portion of the eBusiness as necessary to implement, test, and maintain the system. The Technical Coordinator or Alternate shall assist JPL in successfully completing the implementation and testing of the eBusiness system. Hours of operation from 6:30 AM -5:30 PM PT with 24-hour emergency telephone access information.

5.0 REPORTING AND MANAGEMENT REVIEW REQUIREMENTS

The Subcontractor shall provide the following reports and documentation:

5.1 Status Report

As deemed appropriate, the JPL SCM will email an overdue order report to the Subcontractor for late orders not received at JPL, otherwise, the Subcontractor shall provide a report via email to the JPL SCM or designate for each late PO and/or PO line item within one (1) business day of the original required delivery date. Provide the updated status for each order on the report to include:

- 5.1.1 Cause for item being late.
- 5.1.2 Expected delivery date; and,
- 5.1.3 Actions taken to expedite delivery.

5.2 Monthly Catalog Activity Report

A Monthly JPL Catalog Website Activity Report in MS Excel Spreadsheet format is required for all items on the JPL Catalog Website. The changes for the month shall be identified on the report and the report shall be emailed to the SCM within the first five (5) business days of the new month. For JPL Catalog Website Activity item changes the spreadsheet shall have:

- 5.2.1 For New Items: Part Number, MSRP, Discount, JPL Price, Date added (If MSRP is not available and published price list or third party list is used, include Subcontractor's invoice price and discount/markup, JPL Price, and Date item added);
- 5.2.2 For Deleted Items: the Deleted Part Number, Date of Deletion, and reason for deletion.

- 5.2.3 For Price Changes: the Part Number, the New Price, Effective date, and the Previous Price;
- 5.2.4 For other miscellaneous changes: the item part number, the date, and nature of the change.

5.3 Quarterly Management Reviews:

On a quarterly basis, or as deemed appropriate by the JPL SCM, the Subcontractor shall conduct management reviews with JPL representatives either at the Subcontractor's facility or at JPL. The primary purpose of these meetings is to have the appropriate Subcontractor personnel available to provide information relevant to the performance of the Subcontract. The typical meeting agenda would include the following:

- 5.3.1 Issues regarding Subcontract delivery performance;
- 5.3.2 Any problems in Subcontractor's internal channels;
- 5.3.3 Data clean-up, outstanding invoices;
- 5.3.4 Any proposed system improvements;
- 5.3.5 Opportunities for cost savings including comparable product suggestions; and,
- 5.3.6 General concerns/issues.

5.4 Quarterly Stock Number Price Guide

The Subcontractor will provide the JPL SCM with a copy of Essendant/United (USS) Pocket Price Guide, SP Richards, or Each Manufacturer's price list, at the beginning of each quarter. The preferable format is electronic format or CD/DVD, however, a hard print book is acceptable.

5.5 Recycled Content Items Report

JPL follows the Environmental Protection Agency (EPA) guidelines for purchasing of recycled and environmentally preferable products. Per Executive Order 13693 – Planning for Federal Sustainability in the Next Decade, the Subcontractor, when possible, shall provide products that are sustainable and environmentally preferable as identified by the Environmental Protection Agency (EPA) or the U.S. Department of Energy. The Subcontractor shall provide an annual itemized report in Microsoft Excel, when requested, of products JPL purchased. Included shall be:

- 5.5.1 The percentage of post-consumer recycled content for each item;
- 5.5.2 Total quantity of each item purchased; and
- 5.5.3 Total dollar value of each item purchased.

5.6 Provide Ad Hoc/Miscellaneous Reports to JPL on the JPL Catalog Website content or activity (in Excel spreadsheet form) as requested. Reports could be requested for things such as Product Usage History for a specified time period or product delivery, all products within a category or family, and so forth.

6.0 PRODUCT INFORMATION AND JPL CATALOG MAINTENANCE

The JPL Catalog Website maintained by the Subcontractor shall provide security from both interception of data or intrusion and minimal downtime.

- 6.1 The JPL-specific catalog product information that appears on the Subcontractor's website shall be agreed to by JPL, and shall include as a minimum:
 - 6.1.1 Manufacturer's part number and Subcontractor's part number;
 - 6.1.2 Manufacturer's description of item including size, features, capabilities, etc.;
 - 6.1.3 JPL Price;
 - 6.1.4 Picture or graphic representation of the item;
 - 6.1.5 Safety Data Sheet (SDS) as applicable
 - 6.1.6 Item availability or backorder information; and
 - 6.1.7 Percentage of post-consumer recycled content of item, as applicable.
- 6.2 Product additions, deletions, modifications requested by JPL SCM shall be completed and updated on the website within two (2) business days or sooner. JPL catalog updates for additional new items, or to add substitute items, shall be provided to the JPL SCM for approval prior to their addition onto the website and shall be noted on the Monthly Catalog Activity Report. (Reference paragraph 5.4 above).
 - 6.2.1 JPL catalog updates to add new or additional items shall have JPL SCM, or delegate, approval prior to their appearance on the website.
 - 6.2.2 The JPL SCM, or delegate, is the only authorized person to request modifications, additions, deletions from the JPL catalog.
 - 6.2.3 The JPL SCM, or delegate, is the only authorized person to request a PO item be return or replaced.
- 6.3 The Subcontractor shall conform to the "Punchout Transaction" section of the *cXML User's Guide, Version 1.2.014*. A copy of this guide can be found at <http://www.cxml.org>. JPL explicitly asks the Subcontractor to provide the SupplierPartAuxiliaryID tag (this field is also known as Configure ID in Oracle. This is an optional field but JPL requires it for uniqueness). For more information about this field, see page 88 of the User's Guide. Note that JPL will utilize direct punchout from the Subcontractor's web site.
 - 6.3.1 SupplierConfigureID #: <SupplierPartID> cXML tag and
 - 6.3.2 <SupplierPartAuxiliaryID> cXML tag
- 6.4 The Subcontractor can make Price changes to the JPL catalog as the price specified in the MSRP or Published Price List changes. (Reference Article 2, Section 13.0 Price Change Methodology for Web Catalog. JPL approval is not required for these price changes beforehand, however these changes must be reflected on the monthly report in MS Excel for all items and changes is required (Reference paragraph 5.2 above). JPL reserves the right to review and/or request additional documentation of any price changes.

- 6.4.1 MSRP or Published Price List decreases received by the Subcontractor at any time, shall be immediately applied to the JPL online catalog.
- 6.5 Items that are no longer available shall be taken out of the JPL online catalog website as soon as possible, and JPL shall be notified of the action. If requested, rationale for the action shall be provided. JPL requests advance notice for removal of high volume items. Deletion of items shall be noted on the Monthly Catalog Activity Report (Reference paragraph 5.2 above).
 - 6.5.1 JPL may request that a substitute item of equal or better value be added to the catalog to replace the discontinued or non-available item;
 - 6.5.2 Upon JPL's request, the Subcontractor shall provide documentation for each item offered as a substitute demonstrating the substitute item is equal to, or greater than, the functionality of the item for which it is substituted.
- 6.6 The Subcontractor shall not substitute item(s) already in a shopping cart or an open JPL PO, unless advance notice is provided to JPL, and JPL approval has been obtained.
- 6.7 Explicitly excluded from the JPL online catalog shall be: wood and leather desk and office accessories, all equipment and machines such as computers, laptops/tablets, fax machines, wearable technology, printers and other Automated Data Processing (ADP) equipment, office copiers, typewriters, cellular phones, and electronic devices such as personal digital assistants (PDAs), .
- 6.8 JPL, at its sole discretion, will determine the acceptability of any item offered on the website online catalog.

7.0 PERFORMANCE REQUIREMENTS

- 7.1 Service Level Requirements: The Subcontractor shall meet or exceed an average monthly Service Level of ninety-five (95) percent or better. The JPL Receiving Dock will receive/scan iProcurement deliveries Monday through Friday, between 8:00 a.m. until 11:30 a.m. and 12:15 p.m. until 3:30 p.m. Pacific Time (PT) and Monday through Thursday of alternative weeks between 8:00 a.m. until 11:30 a.m. and 12:15 p.m. until 3:30 p.m., excluding JPL holidays.
 - 7.1.1 For items ordered and delivered from the JPL Catalog, the Monthly Service Level is defined as the percentage of PO line items received on time.
 - 7.1.2 Failure to meet the required ninety-five (95) percent or better average monthly Service Level for three (3) consecutive months, or four (4) months in any six (6) month period will be addressed and a Corrective Action Notice (CAN) issued requesting the Subcontractor provide a Corrective Action Plan (CAP) identifying and addressing problems that caused the Service Level failure. The CAP is designed to eliminate the possibility of a recurrence, along with specific personnel for carrying out both immediate and permanent changes. The Service Level failure and

the effectiveness of the corresponding corrections will be considered as part of the JPL evaluation determining whether to exercise the Option Provision.

7.2 Average Monthly Service Level will be calculated utilizing the following formula:

$$\frac{\left(\begin{array}{c} \text{Total \# of PO line} \\ \text{items received} \end{array} \right) - \left(\begin{array}{c} \text{\# of PO line items} \\ \text{received that were} \\ \text{late/discrepant} \end{array} \right)}{\text{Total \# of PO line items received}} = \text{Service Level} \\ \text{Percent}$$

To determine Average Monthly Service Level, JPL will subtract the number of PO line items that were late from the total number of PO line items received. This number will then be divided by the total number of PO line items received.

The Subcontractor will not be penalized for Service Level failures caused by JPL's delayed delivery request (including JPL and Subcontractor holidays or other circumstance where JPL is unable to accept delivery) or when either JPL or an appropriate Public Safety agency (Police, Sheriff, Fire, Highway Patrol, etc.) have indicated that a situation exists which creates an unsafe condition, disasters (natural or other), strike, or other peril or for any other reason JPL requests (either in advance or upon arrival) that no iProcurement delivery be made.

7.3 Other Areas of Performance

The following areas of Subcontract performance will be monitored but will not be considered as factors in determining the Monthly Service Level:

- 7.3.1 Price Discrepancies (i.e. review findings);
- 7.3.2 JPL customer feedback (i.e. complaints, recommendations, etc.);
- 7.3.3 The number of shipping errors (incorrect product, unauthorized substitutions, damaged items, over shipments, short shipments, incorrect/inaccurate shipping labels).
- 7.3.4 Exceptions to performance (i.e. average days to delivery, reasons affecting late delivery, number of cancellations or PO returns, etc.); and
- 7.3.5 Actions taken as a result of Quarterly Management Review Meetings (i.e. continuous improvement).
- 7.3.6 Continued unsatisfactory performance in any of the areas identified above will be considered as part of the JPL evaluation determining whether to exercise the Option Provision.

8.0 DISCREPANCY HANDLING AND RETURN PROCESS

- 8.1 Items may be returned by JPL as coordinated by JPL and the Subcontractor within thirty (30) days of receipt. The JPL SCM will issue a return notification via email for the item(s) to Subcontractor for a Return Material Authorization (RMA) number. The price adjustment will be reflected on the next JPL-issued payment to the Subcontractor. All material returns will be properly packaged for shipment,

and will include a JPL Shipping Document that reflects the PO number, item(s) description, PO price, reason for return, and RMA number assigned.

- 8.2 For Product to be eligible for return, it must be one hundred percent (100%) complete, including all original boxes, packing materials, manuals, blank warranty cards, and other accessories provided by the manufacturer ("Resale condition"), received within the time periods described in this policy, and not designated as "non-cancellable" or "non-returnable" when quoted.
- 8.3 If the Product is a Special Order item or not in Resale Condition, then Subcontractor will accept the return only if the manufacturer/distributor will accept the return.
- 8.4 For concealed discrepancies, those not discovered during routine receiving practices, the following will apply:
- 8.5 Incorrect, Damaged or Defective Item(s)

If the internal JPL customer discovers a discrepancy related to PO conformance, damage, or defect, they will initiate a return request of the material in the JPL internal system to the SCM. The SCM will issue a return notification via email for the item(s) to the Subcontractor requesting a Return Material Authorization (RMA) number. The purchase price for that item, at the time of order, will be reflected as an itemized adjustment on the next JPL-issued payment to the Subcontractor.

8.6 Short Shipments (Shortages)

In the event that a PO is short-shipped (fewer items are received than specified by the packing slip quantity), the internal JPL customer will initiate a return request of material and/or quantity in the JPL internal system. The SCM will issue a return notification via email for the item quantity to the Subcontractor for (1) an RMA number for the transaction. The total credit price (the number of short items times the order date unit price) will be reflected as an itemized adjustment on the next JPL- issued payment to the Subcontractor, or (2) JPL SCM will request the balance of the item quantity be shipped to JPL.

8.7 Visible Shipping Damage

- 8.7.1 If a package containing Product purchased from Subcontractor arrives at JPL with external damage, JPL should refuse to accept delivery from the carrier. If JPL does accept delivery of the package, JPL must: (i) note the damage on the carrier's delivery record so that the Subcontractor may file a claim; (ii) save, as is, the Product and the original box and packaging it arrived in; and (iii) notify Subcontractor in writing within five (5) calendar days of delivery acceptance to arrange for carrier's inspection and pickup of the damaged merchandise.
- 8.7.2 If JPL does not comply with the above requirements, JPL will be deemed to have accepted the Product as if it had arrived undamaged, and

Subcontractor's regular return policy, as described herein, and all OEM warranties and restrictions will apply.

- 8.7 Cancellations/Returns: Only the SCM has the authority to cancel a PO before shipment to JPL. All items may be returned as a result of a cancellation by JPL as coordinated between JPL and the Subcontractor. The JPL SCM will issue a return notification via email for the item(s) to Subcontractor for a Return Material Authorization (RMA) number. The price adjustment will be reflected on the next JPL-issued payment to the Subcontractor.

9.0 SAFETY REQUIREMENTS

- 9.1 In the event of a subcontractor personnel personal injury, or property damage at JPL, the Subcontractor must notify the JPL Occupation Safety Program Office (OSPO) immediately. A thorough investigation report must be completed by the Subcontractor within twenty-four (24) hours and a copy of that investigation report must be provided to JPL OSPO.
- 9.2 Upon JPL's request, the Subcontractor shall make available access to their in-house Health and Safety Documentation, (e.g. Injury and Illness Prevention Program, Cal/OSHA incident rates)

10.0 PRODUCTS FOR ERGONOMIC EVALUATION

As requested by the JPL SCM, the Subcontractor shall provide demonstration models of various keyboard trays, wrist supports, standing desks, and other ergonomic items offered on the website catalog at no additional charge for the JPL Ergonomics Evaluation Demo Room located at JPL. The demo room will allow end-users to evaluate products based on their individual ergonomic needs before making a purchase.

11.0 LABELING, SHIPPING AND DELIVERY REQUIREMENTS

- 11.1 The Subcontractor shall label and deliver all items ordered in accordance with Exhibit IV, JPL Barcode Specifications, and Exhibit V, JPL Product Packaging and Delivery Instructions.
- 11.2 All items delivered under this Subcontract are FOB Destination.
- 11.3 The JPL Receiving Dock will receive iProcurement deliveries Monday through Friday, between 8:00 a.m. until 11:30 a.m. and 12:15 p.m. until 3:30 p.m. Pacific Standard Time (PST) and Monday through Thursday of alternative weeks between 8:00 a.m. until 11:30 a.m. and 12:15 p.m. until 3:30 p.m., excluding JPL holidays.
- 11.4 JPL will be closed on Alternative Fridays except for time-critical project activities and for receiving special shipments (e.g., FedEx, UPS, etc.). If such shipments cannot be avoided to JPL on Friday closures, they must be scheduled in advance with JPL Receiving (8:00 AM – 3:30 PM PT) at 818-393-5544 or 818-354-7784. There will be no JPL outgoing shipments.

12.0 JPL WILL:

- 12.1 Provide electronic means for transmittal of information as described in paragraph 1.1;
- 12.2 Participate in the end-to-end certification test as required in paragraph 3.0;
- 12.3 Scan each PO line bar-code label in all deliveries;
- 12.4 JPL will also transmit a cXML extrinsic data tag with user name and user email address; this information will be used to allow end-users to set up "Favorites" lists.

13.0 DELIVERY OR PERFORMANCE SCHEDULE

- 13.1 The point of inspection, acceptance and delivery of all supplies deliverable under this Subcontract shall be the Jet Propulsion Laboratory, 4800 Oak Grove Drive, Pasadena, California, 91109, unless as otherwise provided in this Subcontract. All such supplies shall be packaged, packed, boxed, or crated in such a manner to ensure safe delivery, and shall be shipped prepaid and at the Subcontractor's expense to the point of delivery. All items delivered under this Subcontract are FOB Destination
- 13.2 Time is of the essence in the performance of this Subcontract.
- 13.3 The base term of this Subcontract shall commence as of the date of Subcontract execution and shall continue to September 22, 2019.
- 13.4 The Subcontractor shall provide a website to punchout to and support JPL's iProcurement development and testing of all interfaces with the Subcontractor's system from the date of this Subcontract to JPL's go-live date, anticipated to be TBD at which time the Testing Phase is to be completed.
- 13.5 Within five (5) business days after execution of the Subcontract, Subcontractor shall:
 - 13.5.1 Complete the Punchout Checklist per Exhibit II, Punchout Operational Document.
 - 13.5.2 Identify document communication method per Exhibit III, Electronic Communications.
- 13.6 Within fifteen (15) business days:
 - 13.6.1 Provide access to a secure shopping site for punchout testing purposes and demonstrate punchout capabilities per Exhibit II.
 - 13.6.2 Subcontract must be able to demonstrate barcode capabilities to meet JPL barcode labeling requirements according to Exhibit IV, JPL Barcode Specifications.
- 13.7 Within twenty (20) business days:

13.7.1 Subcontractor must demonstrate punchout capabilities and allow JPL to perform multiple simple transactions of: Order an item and pass it back for PO creation, including UOM and Category mapping.

13.7.2 Demonstrate barcode capabilities in accordance with JPL barcode requirements found in Exhibit IV.

13.8 Within thirty (30) business days: Subcontractor must demonstrate punchout capabilities and allow JPL to perform multiple simple transactions of: Order an item and pass it back for PO creation, including UOM and Category mapping.

14.0 SYSTEM TESTING

System Testing shall be performed in groups of increasing size until the Subcontract go-live date, or as determined by JPL technical personnel. After successful completion of the Pre-Test and the Full Test, the system will be certified for production. JPL will submit a number of test purchase order transactions (850). The Subcontractor shall provide electronic acknowledgment (997), if capable. Upon delivery, the packages will be barcode scanned, and a payment check will be transmitted to the Subcontractor.

ARTICLE 2. PRICE AND PAYMENT PROVISIONS

- 1.0 The total estimated expenditure is \$8,750,000; \$3,500,000 for the two-year base term, and option periods, if exercised, \$1,750,000 each year.
- 2.0 The column entitled "JPL Price" in the JPL Catalog described in Article 1, paragraph 6.1, shall be the most current price. Prices for all items shall include the MSRP or published price list, less a fixed percentage discount by manufacturer as specified in Exhibit I, Manufacturer's Discount Schedule. This JPL Price shall include transportation, packaging, handling charges, all profit, overhead, burden expenses and all services required by the Article 1, Statement of Work.
- 3.0 Price changes to the JPL catalog can be made by the Subcontractor as the price specified in the MSRP or published price list changes. JPL approval is not required for these changes as described in Article I, paragraph 6.3.
- 4.0 The Subcontractor shall be required to decrease the unit price of an item in the catalog supplied to JPL upon notification of the Subcontractor's distributor/manufacturer that the actual cost has been reduced.
- 5.0 The Subcontractor's fixed percentage discount(s) specified in Exhibit I shall be maintained for the term of the Subcontract. The term of the Subcontract is the 2-year base period after Subcontract award, as well as the option period(s), if exercised. JPL reserves the right to review the manufacturer discounts listed in Exhibit I periodically, and may request changes, as appropriate.
- 6.0 For new products supplied by manufacturers not currently listed in Exhibit I unit price shall consist of the MSRP less the minimum fixed percentage discount of at least 20% for the item(s).
- 7.0 In no event shall the price(s) charged to JPL be greater than the price(s) paid by the Subcontractor's most-favored customer purchasing the same item(s) in like or comparable quantities.
- 8.0 As the JPL price changes due to MSRP changes, the price to be paid by JPL to the Subcontractor shall be the JPL Price at the time the item is entered into the user's shopping cart. The JPL user will have seven (7) calendar days after the first item is entered into the shopping cart to have the PO approved with no change in the price. After seven (7) calendar days, the JPL system will cancel the open shopping cart. Supporting MSRP adjustment documentation shall be provided to the JPL SCM, when requested.
- 9.0 JPL's liability for payment to the Subcontractor, under this Subcontract, shall be limited to payment for products received and itemized in the Remittance Advice as specified in paragraph 15.0 below.
- 10.0 This is not a total requirements Subcontract; however, a minimum amount of \$1,000 shall be ordered during the term.
- 11.0 Payment terms shall be Immediate.

- 12.0 All items purchased under this Subcontract are tax-exempt, under CA Resale No. SR AP17-006226.
- 13.0 *Price Change Methodology for the Web Catalog:* The following paragraphs describe the methodology for implementing price changes on the JPL Catalog Website and the pricing structure to be followed:
- 13.1 Price increases shall be determined in accordance with the following price increase example:

Price Increase Change Example

Old MSRP	Less % Disc.	Dollar Disc.	Old JPL Price	New MSRP	Less % Disc.	Dollar Disc.	New JPL Price
\$9.00	20%	\$1.80	\$7.20	\$10.00	20%	\$2.00	\$8.00

- 13.2 Price decreases shall be required to be passed on to JPL upon notification by the Subcontractor's supplier/manufacturer that the actual MSRP or Published List Price has been reduced. Price decreases shall be determined in accordance with the following price decrease example:

Price Decrease Change Example

Old MSRP	Less % Disc.	Dollar Disc.	Old JPL Price	New MSRP	Less % Disc.	Dollar Disc.	New JPL Price
\$9.00	20%	\$1.80	\$7.20	\$8.00	20%	\$1.60	\$6.40

- 13.3 All documentation for price increase or decrease shall provide clear and convincing proof of actual increase or decrease in the MSRP or Published List Price. The supporting documentation shall be maintained by the Subcontractor for the term of this Subcontract and shall be available for JPL review.
- 14.0 The price that will be paid is stated on JPL's PO request.
- 15.0 Remittance Advice & Evaluated Receipt Settlement (ERS)
- No billing invoices from the Subcontractor will be accepted or acknowledged by JPL. Purchase Orders (PO) under this Subcontract will be paid based on comparing JPL's PO request and the receipt records as itemized in the Remittance Advice. This Subcontract is an Evaluated Receipt Settlement (ERS) Subcontract. On the same day that items are scanned and received against POs on this Subcontract, JPL will automatically create an invoice for every receipt record and will process the invoice for payment.
- 15.1 The price that will be paid is the price stated on JPL's PO request.
- 15.2 Upon receipt of payment and the Remittance Advice, the Subcontractor shall be responsible for promptly reviewing that list for accuracy (comparing it to the Subcontractor's record of goods shipped).
- 15.3 It is agreed and understood that all such lists will be deemed accurate and correct if no notice of discrepancy is provided to JPL within ten (10) working days of Subcontractor receipt of such listing. Any required adjustments will be

reflected and itemized on the next check issued to the Subcontractor and will be discussed at the next Quarterly Management Review.

16.0 Examination & Review Rights:

The JPL Subcontract Manager shall have the right to examine and review all financial statements, records, documents and other Subcontractor data related to the pricing of the commercial items covered by this Subcontract. The Subcontractor shall make all documents and other data available for examination, review or reproduction for a period of three (3) years after the final payment under this Subcontract.

ARTICLE 3. SPECIAL PROVISIONS

1.0 ENVIRONMENTAL PROTECTION AGENCY (EPA) DESIGNATED ITEMS

Items listed in the JPL Catalog will be subject to the EPA-designated items and recycled content requirements. Items in the category of Paper and Paper Products, Plastic desktop accessories, Steel desktop accessories, and Binders are designated items and should contain recycled content where possible. For a complete listing of EPA-designated items and associated information see:

<https://www.epa.gov/saferchoice/products>.

2.0 This is not a total requirements subcontract. A minimum amount of \$1,000 shall be ordered during the term.

3.0 INFORMATION TECHNOLOGY (IT) SECURITY REQUIREMENTS

For purposes of this clause, "JPL Data" is defined as any data or information (including information incidental to contract administration, such as financial, administrative, cost or pricing, or management information) that is processed, managed, accessed or stored on a JPL IT system(s) in the performance of this subcontract. The definition includes access controls (i.e. credentials such as a username, service name or other account name plus password) stored on JPL assets as well as any electronic data retrieved and processed or stored on JPL assets.

3.1 The vendor's systems shall have in place and agree to maintain, review, test, and remediate vulnerabilities related to layered physical, personnel, and logical security sufficient to protect JPL data appropriate to the type of data being stored/processed.

3.2 The vendor's systems shall securely receive and transmit JPL data.

3.3 The vendor shall report all confirmed IT Security incidents that involved JPL data to the JPL Security Operations Center (SOC) within four (4) hours of confirmation or twenty-four (24) hours of suspicion, whichever comes first. JPL SOC email contact is: jplsoc@jpl.nasa.gov. JPL SOC phone contact via the JPL Unified Service Desk is: 1-818-354-HELP (4357). The vendor will also cooperate with and assist the JPL SOC in all security investigations and security audits.

3.4 The vendor shall have documented security and privacy policies that apply to JPL data.

3.5 All clauses under 4.0 IT Security Requirements shall flow-down to lower-tier subcontractors.

4.0 The total amount of this Subcontract referenced in Article 2 is actually a ceiling price as contemplated by the AGP of this Order entitled "Ceiling Price: Limitation of Institute's Obligation."

ARTICLE 4. OPTION PROVISIONS

- 1.0 The Subcontractor grants to JPL the Option(s) to continue the work of this Subcontract beyond the two-year base term for up to thirty-six (36) additional months, in increments at JPL's discretion. The total term of the Subcontract shall not exceed five (5) years.
- 2.0 The exercise of Option increments, if any, that extends the Subcontract beyond the two-year base term, shall be evidenced by JPL's issuance of a Unilateral Modification or Supplemental Agreement. In the event the JPL Prime Contract expires prior to the full 36-month option term, the JPL Prime Contract Successor could elect to exercise this Option Article.
- 3.0 Option pricing shall be in accordance with Exhibit I, Manufacturer's Discount Schedule. JPL reserves the right to review and request revision of the established Manufacturer's Discount percentage in Exhibit I at the time of exercising any Option period. All other terms and conditions within this Subcontract shall remain the same.
- 4.0 Any and all actions exercising Option(s) under this Provision shall be accomplished prior to the then current end date of this Subcontract.

ARTICLE 5. ALTERATION PROVISION

Termination (Default) – Limiting Subcontractor Liability

The Subcontractor's liability (for example, to cover the Institute's excess re-procurement costs) under the "Termination for Cause – CIS" GP Article of this Subcontract will not exceed an amount equal to the total price of this Subcontract. This provision does not diminish the Subcontractor's obligations, nor does it diminish the Institute's or the Government's rights for relief under other provisions of this Subcontract.

ARTICLE 6. EXHIBITS

The following Exhibits are incorporated into this Subcontract:

- | | |
|--------------|--|
| Exhibit I | Manufacturer's Discount Schedule (MS Excel spreadsheet), dated March 15, 2017
Note: Tab (ii), <i>Discount Schedule</i> , of <u>RFP BAK-2624-935432 Excel Spreadsheet</u> will be used to create this exhibit. |
| Exhibit II | Punchout Operational Document, dated March 15, 2017 |
| Exhibit III | Electronic Communications Trading Partner Agreement, dated March 15, 2017 |
| Exhibit IV | JPL Barcode Specifications, dated March 15, 2017 |
| Exhibit V | JPL Product Packaging and Delivery Instructions, dated March 15, 2017 |
| Exhibit VI | Subcontractor System Certification and Testing, dated March 15, 2017 |
| Exhibit VII | EDI Layout Mapping, dated March 15, 2017 |
| Exhibit VIII | Sample cXML, dated March 15, 2017 |
| Exhibit IX | Subcontractor Environmental, Health, & Safety Requirements, dated March 15, 2017 |

SIGNATURE PAGE

IN WITNESS WHEREOF, the parties hereto have executed this Subcontract as of the below "JPL Signature Date."

SUBCONTRACTOR NAME

Signature & Date: _____

Type/Print Name: _____

Type/Print Title: _____

JET PROPULSION LABORATORY

Signature & Date: * _____

Type/Print Name: _____

Type/Print Title: _____

*JPL Signature Date: ***The JPL Signature Date is the effective date of the subcontract.***

NOTE: Pursuant to the Subcontract's General Provisions entitled "Authority of JPL Representatives" and "Technical Direction" the following applies:

- Only the following or their Designated Alternates can authorize Subcontract changes, in writing, via JPL-issued modifications to the Subcontract: JPL Subcontracts Manager, Acquisition Management, JPL's Director/Deputy Director/Chief Financial Officer.
- Minor technical changes not affecting the scope or cost of the Subcontract may be made by the JPL Cognizant Technical Manager (or Designated Alternate), but only in writing via the "Technical Direction Memorandum" (Form JPL 2084).